

**IN UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:

Peabody Energy Corporation, et al.,
Reorganized Debtors.

Case No. 16-42529-399

CHAPTER 11

Jointly Administered

**STIPULATION AND AGREED ORDER REGARDING THE WITHDRAW OF THE
CLAIMS OF THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY**

This Stipulation and Agreed Order is entered into by and between
(a) the above-captioned Reorganized Debtors (collectively, the "Reorganized Debtors" and, prior to the Effective Date, as defined herein, the "Debtors") and (b) the Wyoming Department of Environmental Quality (the "Department" and, collectively, with the Reorganized Debtors, the "Parties").

RECITALS

A. On April 13, 2016 (the "Petition Date"), the Debtors commenced reorganization cases in this Court by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). By order of the Court [Docket No. 105], the Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered.

B. Peabody Energy Corporation ("PEC") is a Delaware corporation headquartered in St. Louis, Missouri. PEC was incorporated in 1998 and became a public company in 2001. Each of the other Debtors and Reorganized Debtors was or is a wholly-owned direct or indirect subsidiary of PEC.

C. On December 22, 2016, the Debtors filed the (a) Joint Plan of Reorganization of Debtors and Debtors in Possession [Docket No. 1820] (as amended or modified, the "Plan") and (b) Disclosure Statement with Respect to Joint Plan of Reorganization of Debtors and Debtors in Possession [Docket No. 1821] (the "Disclosure Statement"). On January 26, 2017, the Bankruptcy Court held a hearing at which it approved the Disclosure Statement as containing "adequate information" within the meaning of section 1125 of the Bankruptcy Code pursuant to an order [Docket No. 2234] (entered on January 27, 2017). Also on January 27, 2017, the Debtors filed their (a) Second Amended Joint Plan of Reorganization of Debtors and Debtors in Possession [Docket No. 2229] (as amended on March 15, 2017, by Docket No. 2719, the "Plan")¹ and (b) Second Amended Disclosure Statement with Respect to Second Amended Joint Plan of Reorganization of the Debtors and Debtors in Possession [Docket No. 2231]. The Court entered an order confirming the Plan on March 17, 2017 [Docket No. 2763]. The Plan became effective as of April 3, 2017 (the "Effective Date").

D. On October 11, 2016, the Department filed seven proofs of claim [KCC Claim No. 6742, ECF Claim No. 7-1, Debtor Peabody School Creek Mining, LLC (Case No. 16-42633); KCC Claim N. 6748, ECF Claim No. 103-1, Debtor Peabody Powder River Mining, LLC (Case No. 16-42666); KCC Claim No. 6749, ECF Claim No. 12-1, Debtor Peabody Natural Gas, LLC (Case No. 16-42626); KCC Claim No. 6750, ECF Claim No. 6-1, Debtor Shoshone Coal Corporation (Case No. 16-42668); KCC Claim No. 6752, ECF Claim No. 6-1, Debtor West Roundup Resources, LLC (Case No. 16-42671); KCC Claim No. 6753, ECF Claim No. 67-1, Debtor Peabody Caballo Mining, LLC (Case No. 16-42533); KCC Claim No. 6756, ECF Claim

¹ Capitalized but undefined terms in this Stipulation and Agreed Order shall be ascribed the definitions provided to them in the Plan.

No. 159-1, Debtor Peabody Investments Corporation (Case No. 16-42549)] (the "Department Claims").

E. Since the Effective Date, the Parties have engaged in discussions regarding the resolution of the Department Claims.


NOW, THEREFORE, it is hereby stipulated and agreed by and between the Parties through their undersigned counsel and the Court ORDERS, as follows:

1. The Department hereby withdraws the Department Claims.
2. The withdrawal of the Department Claims and the entry of this Stipulation and Agreed Order does not alter or amend, in any way, the Department's rights under the Plan and shall not be deemed a waiver of such rights. The withdrawal of the Department Claims also does not alter or amend, in any way, the rights or obligations of the Reorganized Debtors under the Plan or laws of the State of Wyoming.
3. Wyoming does not waive sovereign immunity by entering into this Stipulation and Agreed Order and Wyoming retains immunity and all defenses available to it as sovereign under all state and federal law, except that any of the Parties may bring an action to seek interpretation or enforcement of this Stipulation and Agreed Order. The Parties agree that any ambiguity in this Stipulation shall not be strictly construed, either against or for either party, except that any ambiguity as to sovereign immunity shall be construed in favor of sovereign immunity.
4. The terms and conditions of this Stipulation and Agreed Order shall be immediately effective and enforceable upon entry of the Stipulation and Agreed Order.

5. No later than two business days after the date of this Order, the Claims and Notice Agent appointed in the above-captioned bankruptcy cases shall serve a copy of this Order and shall file a certificate of service no later than 24 hours after service.

DATED: February 7, 2018
St. Louis, Missouri

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Barry S. Schermer
United States Bankruptcy Judge

Dated: February 6, 2018
St. Louis, Missouri

Respectfully submitted,

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